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Agenda item 136
Administrative and budgetary aspects of the financing of the United Nations peacekeeping operations

Improvement of internal controls in management, accounting and reporting of assets of all United Nations field missions

Report of the Secretary-General*

I. Background

1. The present report is submitted pursuant to paragraph 7 of General Assembly resolution 59/270, wherein the Assembly endorsed the relevant recommendations of the Office of Internal Oversight Services regarding improvement of internal controls in management, accounting and reporting of assets of all United Nations field missions to establish reliable records, and requested the Secretary-General to ensure their full implementation and to report thereon to the General Assembly at the second part of its resumed sixtieth session.

II. Procedures implemented

2. The Department of Peacekeeping Operations has prepared a comprehensive Property Management Manual which will be promulgated to all field missions in 2006. The manual standardizes the property management practices across the field missions and provides guidance on day-to-day operational matters.

3. To standardize the management, accounting and reporting of United Nations assets in field missions, the Department has issued a number of related policies including: "Property write-off and disposal actions" (April 2004); "Monthly continuity schedule report" (May 2004); "Access to Galileo for contractual staff" (May 2004); "Recording of donated property" (June 2004); "Mission acronyms" (June 2004); "Entry-on-duty date for United Nations property" (August 2004); "Reporting of assets pending Headquarters Property Survey Board review" (November 2004); "Processing of write-off cases for General Assembly-approved

* The document was delayed because of additional technical and substantive consultations.

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cases of donation" (November 2004); "Bar-coding of assets" (December 2004); "Receiving and inspection guidelines" (June 2005); "Receiving of inter-mission transfers in Galileo" (June 2005); "Issuance of multi-user equipment" (June 2005); "Items on loan to and from other entities" (September 2005); "Alternate disposal methods" (September 2005); and "Monitoring of assets in unit stock" (February 2006). These policies are incorporated in the Property Management Manual.

4. In addition to the policies outlined above, the Department issues annual guidelines for the preparation of financial year-end inventory reports and monitors their submission from the field. Peacekeeping missions are also providing a monthly status of the level of assets pending write-off and disposal. Annual and monthly figures are reviewed regularly by the Department and missions are advised to take corrective action as required.

5. The Department of Peacekeeping Operations completed the implementation of the Galileo Inventory Management System in peacekeeping missions in 2005 in order to facilitate the management and recording of United Nations-owned property. A Galileo asset disposal module was recently developed to enhance the utility of the system in the field. Testing of the module was completed in March 2006, while full implementation is scheduled for the second half of 2006. The module integrates disposal of assets into the electronic inventory management process and will further strengthen the process of write-off and disposal in the missions.

6. The Department also conducts training courses on property management for mission property management staff at the United Nations Logistics Base at Brindisi and at Headquarters. A property management training conference was conducted in March 2005 and a claims and property survey training seminar was conducted in March 2006. The United Nations Logistics Base also offers regular training programmes on the subject of receiving and inspection of assets in field missions. In addition, staff members newly appointed to managerial positions in property management are provided with predeployment training on current property management issues and new or ongoing initiatives.

7. In terms of Headquarters oversight, the Department has two full-time staff members dedicated to strengthening the codification, management and reporting of mission property. In addition, the Department launched a one-year codification and data integrity project in 2005 which on completion in 2006 will improve the global oversight of assets.

8. In response to a request by legislative bodies for a comprehensive review of property management, the Department is in the process of constituting a Property Management Steering Group. Once established, the Steering Group will review cross-cutting property management issues on a continuous basis and provide authoritative guidance on such matters.

III. Action to be taken by the General Assembly

9. The action to be taken by the General Assembly is to take note of the report of the Secretary-General.